



ParcelPal Reports Fiscal Year End 2022 Results Highlighted by Record Revenue Numbers and Record Margins

Vancouver, British Columbia – May 16, 2023 – ParcelPal Logistics Inc. (the “**Company**” or “**ParcelPal**”), (OTCQB:PTNYF) (CSE:PKG) (FSE:PT0A) is pleased to announce its FY 2022 financial results again highlighted by record revenue numbers and record margins.

Overview

In FY 2022, the Company continued to further expand into new geographic areas and again achieved record revenue numbers, which were driven by annual revenue growth of nearly 50% to approximately \$11.2 million (up from \$7.5 million in FY 2021). The Company also completed its second acquisition in the United States market in June 2022, which further diversified its customer base. It is important to note that in 2022 we only recognized seven months of revenue from the most recent acquisition, but will get the benefit in 2023 of the full year of U.S. operation revenues in 2023.

Some additional highlights of the year included the Company delivering well over 5 million packages, an increase in business with Amazon and onboarding new significant customers in the B2B space to both further diversify and grow our customer base, while increasing operating margins.

Additionally, we completed two capital financings, added to our bench strength with additional staff members, and acquired numerous vehicles as we expanded into new markets.

ParcelPal’s CEO Rich Wheelless stated: "The past year’s actions that we undertook increased our revenue, improved our operating margins and diversified our customer base, all of which have placed our Company in a better position to deliver value to our customers. During the past fiscal year, our lean, nimble and talented team has managed to provide world class service while we continue to onboard new B2B clients. Lastly, I am extremely excited for our focus back into the technology side, including our most recently announced partnership with Fobi AI while preparing to launch our new and improved app in 2023. This will create additional tremendous opportunities for us."

FY 2022 Financial Highlights:

December 31, 2022 compared to December 31, 2021 - Financial Highlights:



- Record revenue in FY 2022 and growth of nearly 50% to approximately \$11.2 million (up from \$7.5 million in FY 2021).
- Record margins in FY 2022 of 17.8% (up from 16.9% in FY 2021).
- Cash of \$76,661 at December 31, 2022 compared to \$551,961 at December 31, 2021, and vehicles and right-of-use assets of \$507,669 compared to \$652,353 at December 31, 2021. It is important to note, we recently completed an investment round of \$406K CAD in March 2023. Also, we have an untapped equity facility of \$5M available to us at our discretion, which we implemented in December 2020.
- Management and director fees decreased to \$714,346 (2021 - \$1,808,250). This was due to the issuance of common stock to directors of the Company in 2021. The issuance of \$1,300,000 in 2021 of common stock to officers and directors is a non-cash expense.
- Share based compensation decreased to \$44,246 (2021 - \$263,672) due to fewer stock options being granted during the period.
- During the year ended December 31, 2022, the Company had a net loss of \$3,525,997 compared to \$4,102,608 during the year ended December 31, 2021. It is important to note, however, that in FY 2022, approximately \$1.4M of primarily non-cash expenses included amortization and share issuances.
- Net cash flows used in operating activities decreased to \$1.0M in FY 2022 from \$1.1M in FY 2021.

Q4 2022 Financial Highlights:

- The Company had its largest quarterly gross revenue quarter since inception with over \$3.4M in the fourth quarter of 2022 (compared to Q4 2021 of \$3.2M). Also of note on November 30, 2022, the Company announced its record Q3 2022 financial results for the quarter ended September 30, 2022, highlighted by revenue growth of 51% (to approximately \$2.6M) coupled with a 45% decrease in net loss.

Outlook

The Company's strategic priorities for the remainder of fiscal 2023 include:



- Continued improvement in operating performance, and diversification of our customer base.
- Building an exceptional and world-class brand with a focus on signing quality partners.
- Using data, technology, and inbound selling to ramp up sales and revenue generation.
- Continued expansion into large markets in Canada, with a focus on further expanding throughout the United States markets, including with new higher margin customer contracts.

The Company's complete financial results are available in its Audited Financial Statements and Management's Discussion and Analysis included in the Company's annual report for the year ended December 31, 2022, each of which have been filed with Canadian and United States securities regulators, respectively at www.sedar.com and www.sec.gov.

The company looks forward to providing additional material updates in the coming days.

About ParcelPal Logistics Inc.

ParcelPal is a Vancouver, British Columbia based company that specializes in last-mile delivery service and logistics solutions. We are a customer-driven, courier and logistics company connecting people and businesses through our network of couriers in major Canadian cities including Vancouver, Calgary, and Toronto, as well as in the western region of the United States. Some of our verticals include pharmacy & health, meal kit deliveries, retail, groceries and more.

ParcelPal Website: www.parcelpal.com

Neither the Canadian Securities Exchange ("CSE"), the Securities and Exchange Commission nor any other securities regulatory authority has reviewed and do not accept responsibility for the adequacy or accuracy of this news release that has been prepared by management.

OTCQB – Symbol: **PTNYF**

CSE – Symbol: **PKG**

FSE – Symbol: **PTOA**

Contact Information

[Investor Contact](#)



investors@parcelpal.com

T: (587) 883-9811

Company Contact

Rick Underhill, Director of Investor Relations

ParcelPal Logistics Inc.

investors@parcelpal.com

T: (587) 883-9811

Forward-Looking Information

This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as “intends” or “anticipates”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should” or “would” occur. Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important factors that may cause actual results to vary, include, without limitation: general business, economic and social uncertainties; litigation, legislative, environmental, and other judicial, regulatory, political, and competitive developments; and other risks outside of the Company’s control.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. These forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update these forward-looking statements.